



IN REPLY REFER TO:

United States Department of the Interior
BUREAU OF INDIAN AFFAIRS
EASTERN OKLAHOMA REGION
OSAGE AGENCY
POST OFFICE BOX 1539
PAWHUSKA, OKLAHOMA 74056-1539



**PUBLIC AUCTION
OSAGE MINERAL LEASE SALE NO. 24**

**Osage Casino
951 W. 36th St. N.
Tulsa, OK 74127**

**THE SALE WILL COMMENCE PROMPTLY AT 10:00 AM
December 12, 2018**

**OSAGE INDIAN OIL AND GAS MINING LEASES TO BE OFFERED UNDER THE SUPERVISION OF
THE UNITED STATES GOVERNMENT**

The following described units of land located in Osage County, Oklahoma will be offered as listed for lease for oil and/or gas mining purposes only to the highest responsible bidder in accordance with the provisions of this announcement at PUBLIC AUCTION by the Superintendent of the Osage Agency, Pawhuska, Oklahoma, under authority of 25 CFR 226.2 (b).

Leases shall carry a term of twenty-four (24) months, and as long thereafter as the minerals specified are produced in paying quantities, pursuant to provisions of the Act of Congress approved June 24, 1938, (52 Stats. L. 1034).

Each lease granted as part of this sale, must within 12 months from the date of approval, either be producing oil/or gas, in paying quantities, as provided in the lease terms, or pay rental at the rate of \$1 per acre for Oil, Coal Bed Methane, or gas, and \$2 per acre for oil and gas combinations leases. Payment of rental is required before the first anniversary of the lease approval. The lease may be held for the remainder of its primary term upon payment of the specified rental annually in advance, commencing with the 2nd lease year.

All leases and accompanying papers shall be upon forms prescribed and the lease shall be subject to, and operations conducted in accordance with the regulations now or hereafter prescribed by the Secretary of the Interior, all of which are made a part of the lease, PROVIDED, that regulations made after the approval of the lease shall not affect the term of lease, rate of royalty, rental or acreage, unless agreed to by both parties.

Each lease, unless otherwise noted, is offered, herewith, for a bonus amount of 25 percent (25%) of the bonus bid to be paid on the day of sale, and shall have a set royalty of one-fifth (1/5).

Each tract will be offered separate in the order listed. There is no limitation to the number of acres any lessee may acquire.

Lessees will be held responsible for complying with any requirements of the State Documentary Stamp Tax (Oklahoma Statutes 68, Sec. 5103).

Successful bidders shall execute leases and file same with necessary accompanying papers with the Superintendent of the Osage Agency as soon as practicable and within 20 days from the date of notice of acceptance of bid, together with balance of bonus considerations, with a \$10 filing fee for each lease. Failure on the part of any bidder to comply with this requirement will operate as a forfeiture of the amount theretofore paid and subject his lease if thereafter submitted, to disapproval.

Bond shall be furnished with lease when filed in the sum of \$5,000 for each quarter-section or fractional part thereof, but the lessee may file one bond in the sum of \$50,000 to cover performance of obligations of all leases not in excess of 10,240 acres to which he may be a party. In lieu of the bonds specified above, lessee may file a bond in the penal sum of \$150,000 on the Form 5-5438 for full nationwide coverage of all Bureau of Indian Affairs leases. Such bonds shall continue in force throughout the life of the leases. The leases normally will be approved on the first working day of the second month following the sale and the twenty-four (24) month term will begin on the approval date.

Bidders who cannot be present on the date of the sale may be represented by an agent, but such agent must have a duly executed power of attorney to so act from the real party interested.

In order to afford protection to all interests involved against irresponsible bidders, the Superintendent of the Osage Agency may on his/her own initiative and upon the request of any other bidder, require any bidder to submit satisfactory evidence of good faith, that he has the cash in hand or at his command, and furnish whenever called upon by the Superintendent during progress of the sale, authenticated statement of some solvent bank to the effect that the bidder has the means to purchase the property. All bidders of agents should come to the sale prepared to make such showing promptly when called upon. The Superintendent shall refuse to entertain any bid from any person who does not make a satisfactory showing in this respect.

Successful bidders must announce at the time of the sale the name of parties to whom the lease is to be executed. The lands listed for mining purposes in this advertisement are offered for lease as to the minerals specified only.

Any and all bids shall be subject to acceptance by the Osage Minerals Council. The Superintendent reserves the right to disapprove a lease made on an accepted bid, upon evidence satisfactory of collusion, fraud or other irregularity in connection with the sale of the lease. No lease, assignment thereof, or interest therein, will be approved to any employee of the United States Government.

Further information may be had upon application to the Superintendent of the Osage Agency, Pawhuska, Oklahoma.

The Superintendent of the Osage Agency may impose restrictions as to the time of the drilling of wells and as to the production from any well or wells drilled when in his/her judgment such action may be necessary or proper for the protection of the natural resources of the leased land and the interests of the Osage Nation, and in the exercise of this judgment the Superintendent may consider, among other things, Federal and Oklahoma laws regulating either drilling or production.

NOTICE

1. The Osage Minerals Council holds a regular meeting on the third Wednesday of each month. When a lease sale is held, the Council meets immediately after the sale. Individuals desiring to transact business are requested to arrange to meet with the Osage Minerals Council at a regularly scheduled meeting.
2. Please notify the Superintendent, Osage Agency, Pawhuska, Oklahoma, of all changes of address.

COMBINATION OIL AND GAS TRACTS (LESS COAL BED METHANE)

| TRACT NO. | DESCRIPTION | TERM (MONTHS) | ACRES M/L |
|--|--------------------------|---------------|-----------|
| Be advised, Lessee accepts full responsibility of any well bores found on the property during the term of the lease. | | | |
| 1. | NE/4 SECTION 3-T27N-R06E | 24 | 160 |
| 2. | NW/4 SECTION 3-T27N-R06E | 24 | 160 |
| 3. | SE/4 SECTION 3-T27N-R06E | 24 | 160 |
| 4. | SW/4 SECTION 3-T27N-R06E | 24 | 160 |
| 5. | NE/4 SECTION 4-T27N-R06E | 24 | 160 |
| 6. | NW/4 SECTION 4-T27N-R06E | 24 | 160 |
| 7. | SE/4 SECTION 4-T27N-R06E | 24 | 160 |
| 8. | SW/4 SECTION 4-T27N-R06E | 24 | 160 |
| 9. | NE/4 SECTION 5-T27N-R06E | 24 | 160 |
| 10. | NW/4 SECTION 5-T27N-R06E | 24 | 160 |
| 11. | SE/4 SECTION 5-T27N-R06E | 24 | 160 |
| 12. | SW/4 SECTION 5-T27N-R06E | 24 | 160 |
| 13. | NE/4 SECTION 6-T27N-R06E | 24 | 160 |
| 14. | NW/4 SECTION 6-T27N-R06E | 24 | 160 |
| 15. | SE/4 SECTION 6-T27N-R06E | 24 | 160 |
| 16. | SW/4 SECTION 6-T27N-R06E | 24 | 160 |

COMBINATION OIL AND GAS TRACTS (LESS COAL BED METHANE) CONTINUED

| TRACT NO. | DESCRIPTION | TERM (MONTHS) | ACRES M/L |
|--|---------------------------|---------------|--------------|
| Be advised, Lessee accepts full responsibility of any well bores found on the property during the term of the lease. | | | |
| 17. | NE/4 SECTION 8-T27N-R06E | 24 | 160 |
| 18. | NW/4 SECTION 8-T27N-R06E | 24 | 160 |
| 19. | SE/4 SECTION 8-T27N-R06E | 24 | 160 |
| 20. | NE/4 SECTION 9-T27N-R06E | 24 | 160 |
| 21. | NW/4 SECTION 9-T27N-R06E | 24 | 160 |
| 22. | SE/4 SECTION 9-T27N-R06E | 24 | 160 |
| 23. | SW/4 SECTION 9-T27N-R06E | 24 | 160 |
| 24. | NE/4 SECTION 10-T27N-R06E | 24 | 160 |
| 25. | NW/4 SECTION 10-T27N-R06E | 24 | 160 |
| 26. | SE/4 SECTION 10-T27N-R06E | 24 | 160 |
| 27. | SW/4 SECTION 10-T27N-R06E | 24 | 160 |
| 28. | NE/4 SECTION 15-T27N-R06E | 24 | 160 |
| 29. | NW/4 SECTION 15-T27N-R06E | 24 | 160 |
| 30. | SE/4 SECTION 15-T27N-R06E | 24 | 160 |
| 31. | SW/4 SECTION 15-T27N-R06E | 24 | 160 |
| 32. | NE/4 SECTION 16-T27N-R06E | 24 | 160 |
| 33. | NW/4 SECTION 16-T27N-R06E | 24 | 160 |
| 34. | SE/4 SECTION 16-T27N-R06E | 24 | 160 |
| 35. | SW/4 SECTION 16-T27N-R06E | 24 | 160 |
| 36. | NE/4 SECTION 17-T27N-R06E | 24 | 160 |
| TOTAL OIL AND GAS (LESS COAL BED METHANE) ACREAGE | | | 5,760 |

OIL TRACTS (LESS COAL BED METHANE)

| TRACT NO. | DESCRIPTION | TERM (MONTHS) | ACRES M/L |
|-----------|-------------|---------------|-----------|
|-----------|-------------|---------------|-----------|

Be advised, Lessee accepts full responsibility of any well bores found on the property during the term of the lease.

| | | | |
|----|---------------------------|----|-----|
| 1. | SE/4 SECTION 33-T23N-R08E | 24 | 160 |
| 2. | SW/4 SECTION 34-T23N-R08E | 24 | 160 |

| | |
|--|------------|
| TOTAL OIL (LESS COAL BED METHANE) ACREAGE | 320 |
|--|------------|

GAS TRACTS (LESS COAL BED METHANE)

| TRACT NO. | DESCRIPTION | TERM (MONTHS) | ACRES M/L |
|-----------|-------------|---------------|-----------|
|-----------|-------------|---------------|-----------|

Be advised, Lessee accepts full responsibility of any well bores found on the property during the term of the lease.

| | | | |
|----|---------------------------|----|-----|
| 1. | NE/4 SECTION 21-T23N-R11E | 24 | 160 |
| 2. | NW/4 SECTION 31-T25N-R09E | 24 | 160 |

| | |
|--|------------|
| TOTAL GAS (LESS COAL BED METHANE) ACREAGE | 320 |
|--|------------|
